



**ADDENDUM
PURCHASING OFFICE
CITY OF AUSTIN, TEXAS**

Solicitation: RFP 5500 SMW3010 Addendum No: # 2 Date of Addendum: November 4, 2020

This addendum is to incorporate the following changes to the above referenced solicitation:

I. The following are questions which have been received regarding this solicitation with the City's responses:

Question 1:

Per solicitation items:

1. 10.3.2.3 ("outline any partnerships or strategies necessary to achieve the benefits" and "if the proposal includes financial benefits (to the extent supported by project finances) to the community, please describe")
2. 10.4.1 ("describe your intended approach to project financing, including private and public sources")
3. 10.4.2 ("the key conditions/assumptions required to accomplish project feasibility and these returns")
4. 10.4.2.5 ("the pro forma should indicate whether other types of funding are expected and from what sources... [and] assumed amounts, timing, and potential sources of public or philanthropic funding should be articulated")

We expect our proposal to potentially include the disposition of a tract of land as part of the financial strategy of our project. We understand that, per the solicitation, we cannot include the tract in primary site plan nor can we premise the financial offer upon the development of this tract. However, because this land is located in a parkland-deficient area of the city, in order to maximize the value of our proposal to the community, we would like to offer the option of 1) valuing the property at fair market value and turning it over to the city, for use as it wishes; or 2) selling the land and earmarking the proceeds of that sale at fair market value as part of our financial strategy.

Because option 2) above would be a common financial strategy, we do not see any conflict with the solicitation, but could you clarify whether option 1) would be acceptable and if we can utilize an appraised fair market value for the value of the land as part of our financial model?

Response: At present, the City and Austin Energy are seeking direct compensation for the Ryan Drive property, with a minimum payment of \$2,884,903. For consistency among proposals, please assume that a monetary payment for the parcel must be provided by the developer, rather than a land swap or other in-kind compensation, and propose an amount for this monetary payment. As an option for the City's consideration, you may also indicate the potential for an alternative form of compensation, including an indication of the value of that alternative compensation. The City may be willing to discuss alternative forms of compensation with the selected developer as part of the negotiation process following selection.

Question 2: In the report, "The Overview on Redevelopment Planning and Process for City-Owned Property at 6909 Ryan Drive", the "Scenario 5" layout shows a re-alignment of Ryan Drive that incorporates the city-owned land on the west side of the current alignment of Ryan Drive (referred to on

some maps as the "Ryan Strip") as parkland. However, it is not clear in the solicitation that this land is available for the primary site plan.

Can you confirm that the "Ryan Strip" land is available for incorporation into the proposed development primary site planning?

Response: Because the City's Parks and Recreation Department has control of the "Ryan Strip" land on the west side of the current Ryan Drive alignment, the Proposer may propose to incorporate that City-owned land in their primary site plan as part of an assembled open space, as long as it remains in public ownership. The "Ryan Strip" is parkland and can NOT be disposed of through a sale or trade; it can be incorporated into the overall design as suggested in Scenario 5 but MUST remain parkland and owned by the City of Austin. Please do not include that "Ryan Strip" land in your site plan if you do not propose to realign Ryan Drive, and please do not assume any development could occur on that "Ryan Strip" land other than park/open space. Primary site plans should not include any parcels currently held in private ownership.

Question 3: Some financing strategies for affordable housing may involve state or federal programs that require open space or recreation space that is open to development residents but not the general public. These spaces could include a courtyard, terrace, rooftop deck, or fenced-in ground area. Additionally, some development uses may require some segregation of space that is not available to the general public or all residents, e.g. a playground for an on-site daycare. This is distinguished from private open space such as fenced yards or private balconies. These open/recreation space requirements of certain affordable housing funding programs may make the project infeasible if they are not able to be counted against the RFP's minimum requirement for at least 1.25 acres of parks and open space for recreation and congregation.

Can you confirm that parks, open space, and recreation space that is not private to individual units, but is also not open to the general public, may be counted to satisfy the RFP's minimum requirements for parks and open space?

Response: The City's parkland dedication policy (found here: <https://www.austintexas.gov/departments/parkland-dedication>) indicates that the Ryan Drive site is in a "park deficient" area and is thus subject to the City's parkland dedication requirements. These requirements include the dedication and improvement of a minimum of 9.4 acres of publicly accessible parkland per 1,000 residents in a new market-rate development project. Affordable units are exempt from the City's general parkland requirement, although this RFP requires that in no case shall the Ryan Drive project include less than 1.25 acres of parkland, even if the City's affordability exemption might suggest a lesser amount. Consistent with City of Austin parkland requirements, in order to receive credit for any parkland provided on-site, including the minimum 1.25 acres required in the RFP, that parkland area must be open and accessible to the general public; outdoor spaces accessible only to development residents may NOT be counted toward this objective, though we understand that some such space may be required within your project for other reasons. In your proposal, please indicate how you have calculated the City's standard parkland requirement as it would apply to your specific project, how that compares to the parkland included in your site plan, and how you would propose to provide or fund the remaining parkland obligation, if any. If the City's public parkland requirements for the Ryan Drive site present a feasibility obstacle, you are encouraged to suggest a funding strategy that helps to mitigate this concern.

Question 4: Does publicly accessible, improved open space such as pedestrian plazas, paseos (w/ seating, landscaping, and public art, etc.), and multi-use trails count towards the park/open space requirement, considering that the requirement is spaces for "congregation and recreation" and seating, walking, and biking would appear to fall under that concept? (If those spaces do not count, it incentivizes proposals to not include them or minimize them in a way that could be detrimental to the overall community value of the development. For example, the solicitation touts the 1.25 miles of trails at the nearby Highland Development, but if the trail area does not count towards the minimum requirement, a proposal would be incentivized to instead devote that space to interior floor area.)

Response: The RFP identified several project goals, including “at least 1.25 acres of parks and open space for recreation and congregation” and, separately, “access improvements to the Crestview MetroRail Station through the Property, including pedestrian and bicycle paths and a transit plaza.” Proposals should include a minimum of 1.25 total acres of publicly accessible open space designated as parkland to be considered responsive to the RFP. Sidewalks and green street requirements are NOT counted towards parkland. A plaza area or pocket park may receive credit, provided that it is recorded as a parkland easement ensuring that it will be open to the public, and that it meets parkland criteria. Examples of parkland criteria are visibility from a public Right of Way (trails connecting to a trail system are exempt), and accessibility to the neighborhood through walking or by the provision of parking. In addition to the size/amount, the evaluation panel will consider the location, function, accessibility, and quality of the open space components of the proposals. If the public open space requirement presents a feasibility obstacle, you are encouraged to suggest a funding strategy that helps to mitigate this concern while optimizing the overall community value of the development.

II. ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.

ACKNOWLEDGED BY:

Name

Authorized Signature

Date

RETURN ONE COPY OF THIS ADDENDUM TO THE PURCHASING OFFICE, CITY OF AUSTIN, WITH YOUR RESPONSE OR PRIOR TO THE SOLICITATION CLOSING DATE. FAILURE TO DO SO MAY CONSTITUTE GROUNDS FOR REJECTION.